e·on corporation 703 715 8600
94 Roland Clarke Place
Reston Virginia 22091-1405

November 15, 1994

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: RM-8476

Dear Mr. Caton:

At the request of staff, we are filing the attached documents in regard to the above proceeding. Please feel free to contact me at 703-715-8633 with any questions.

Sincerely,

Lauren Battaglia
General Counsel

cc: The Honorable Reed E. Hundt, Chairman
The Honorable Andrew C. Barrett, Commissioner
The Honorable Rachelle B. Chong, Commissioner
The Honorable Susan Ness, Commissioner
The Honorable James H. Quello, Commissioner

What is IVDS?

Interactive television is one of the most publicized and anticipated consumer services. It will enhance television viewing for all age groups through access to entertaining, convenient, and educational opportunities such as play-along sports, opinion polling, food ordering, home banking, and long-distance learning. Cable television, telephone, and broadcast providers are all exploring its possibilities. Interactive television will foster new technology developments and create new jobs. However, unlike more mature communication services, acceptance levels for interactive television are unknown. Those willing to enter the industry will do so at some risk. Questions that remain include which technology or combination of technologies will win? When will the market develop? Who will constitute the market and what will they want?

In 1992, the Federal Communications Commission (FCC) allocated spectrum for Interactive Video and Data Services (IVDS) as a private radio service. Through IVDS, local licensees would make available to consumers a variety of content-based services that interact with broadcast and cable television programming. In authorizing the service, the FCC indicated its interest in enabling the development of a convenient, low-cost system that provides two-way wireless interactivity with commercial and educational programming, along with information and data services, such as meter reading and PC-based offerings. IVDS is expected to cost less and be available sooner than other interactive television options because individual homes will not need to be 'wired.' In 1994, the FCC licensed the first IVDS providers (assigned by lottery) and auctioned the remaining licenses in major markets (MSAs).

In addition to providing interactivity to the consumer, broadcasters can use the IVDS return path as an on-ramp to the information superhighway. Without IVDS, broadcasters must be content with either a one-way service or a patchwork system using telephone lines for upstream communications to provide interactivity. IVDS enhances programming delivered by broadcast television, wireless cable, direct broadcast satellite, and future television delivery methods. IVDS is designed to be integrated with the interactivity needs of television broadcasters.

What is IVDS with Mobility?

Mobility is a natural outgrowth of the advances in IVDS technology that allow for low power, small radio modems and virtually no interference. These modems can be incorporated in a variety of devices such as cable boxes and multimedia players as well as devices that are not stationary in the home, including portable televisions, portable game players, and personal organizers.

Mobile services for consumers are an extension of IVDS as originally envisioned. With mobile IVDS, consumers could play along with a sporting event at the stadium rather than at home or program videocassette recorders remotely rather than in their living rooms. For broadcasters, the ability to send 'tune-in' reminders or special event notices extends the reach of the television beyond the living room or den. Thus, the IVDS service is enhanced but its essential nature is not changed. IVDS will continue to allow subscriber interaction with television-related programming and information.

As described above, the ancillary mobile services that the Petition for Rulemaking seeks to permit are fundamentally different from traditional and emerging mobile communications, such as paging and PCS. The principal purpose here is to enhance subscriber interaction with programming and information, not to locate and provide voice or data communications with individuals. Even to the extent that mobile IVDS would permit messaging among subscribers to a given IVDS system, it would still be fundamentally different from the mobile communications services mentioned above due to the inherent constraints on the IVDS service. As a private radio service, IVDS users are not able to take advantage of services which interconnect with the public switched telephone network (PSTN). Therefore, the messaging features that mobility adds can only be used to communicate between existing subscribers, unlike paging and PCS that offer services which permit connection with anyone, anywhere, who has access to the PSTN.

From a technical perspective, IVDS power levels are technically limited due to the proximity to television channel 13. At 20 watts maximum, IVDS power levels are well below the transmitter power levels allowed in nationwide and regional narrowband PCS systems. Furthermore, to protect television channel 13, EON has proposed that the FCC permit ancillary mobile service at lower power levels of 100 milliwatts, compared to 7 watts allowed for narrowband PCS mobile units.

The IVDS vision of mobility is based on entertainment, education, and synergies to television. Permitting mobility would not create a new service, but would make IVDS more useful and versatile to consumers.